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*Economic Phenomena before and after War. A Statistical Theory of Modern Wars.* By SLAVKO SECEROV. Studies in Economics and Political Science issued by the London School of Economics and Political Science, No. 53. (London: George Routledge and Sons; New York: E. P. Dutton and Company. 1919. Pp. 226.)

According to the preface, this work "embodies the result of the author's search for a scientific, synthetic explanation of modern wars, by means of economic statistical data, as far as they exist, in the statistics of consumption, production, and natural growth of population in the several countries investigated."

In these times of world unrest it may seem strange to be told that "the meaning of war is a stabilization of economic phenomena," yet such is fundamentally our author's main thesis. The general theory, to the attempted proof of which he brings an impressive array of statistics, is that in normal times there is an equilibrium between production and consumption. This equilibrium is gradually destroyed on the one side by increasing population and rising standards of living, resulting in a disproportionately large production of "secondary goods" (luxuries) and a relative decrease in the production of necessities; and on the other side by the continuous accumulation of capital in modern industrial states, which also increases the production of manufactured goods at the expense of agricultural output, and drives the agricultural communities to industrialization—thereby producing a situation in which all the great nations are at the same time pushed for room for their expanding population, and for markets for their manufactured goods in exchange for agricultural products. This situation is not exactly the cause of war, but when it is reached war is inevitable. War is thus a sort of economic catharsis.

The necessity for resort to this heroic remedy seems to lie not so much in increasing population as in rising standards of living, which, indeed, seem to be the key to the whole situation.

As the population grows and as the consumption rises, the population cannot satisfy all the wants, on account of the difficulties of production, but a struggle has to arise in which a decision is carried out in favor of diminishing the size of families, and that means a diminution of the rate of natural increase. As the rate of natural increase diminishes the standard of living and the consumption per head rises. Now if there is a steady and continuous decline in the rate of natural growth of consumption, war is probably approaching (p. 188).

The conflict of nations is a struggle to maintain these rising standards.

Further, as rising standards mean more demand for secondary goods, and their production proceeds at a pace disproportionate to the production of primary goods, or subsistence, and as the effects of this disproportionate production are cumulative, a slackening of commerce in foodstuffs is inevitable, which brings a rise in their prices. Rising prices ought to bring an intensification of agriculture, but statistics do not, in the author's opinion, appear to show it. On the contrary, "intensive production of secondary goods leads to extensive cultivation." Then enter the significant facts that few countries have an excess of cereals for export, and that increase of cereal land means decreased animal production.

As regards extensive cultivation and war equilibrium, the meaning of war for industrial communities is to supplement their area of production of secondary goods by an area of production for primary goods. So war is effecting a prolongation of extensive cultivation and a delay in intensive cultivation. . . .

As the industrialization of modern communities advances, the supplementary areas become scarcer, and it is more difficult to subdue them without touching the interests of other industrial communities and therefore a world-wide conflagration is approaching, and it came in 1914 (p. 191).

The author makes no attempt to analyze specifically the motives operative in the late war, and it is perhaps well for his theory that he does not. For it would be difficult to make out for instance that France wanted Alsace-Lorraine or the Sarr Valley because of their agricultural resources. Yet some ill-defined, though powerful, tendencies, such as he suggests may have been operative.

The theory presented is in part eclectic. It recognizes the part played by expanding population, thus taking a leaf out of classical political economy. But it refuses to grant a place to the law of diminishing returns as a significant part of the causal nexus. Whether this refusal reveals the influence of Professor Cannan, or a feeling that the socialistic explanation is nearer the truth, we cannot say; but the other part of the theory—that relating to the accumulation of capital, increased consumption of luxuries, and international struggle for markets—is more akin to acute socialist analysis than to anything based on Malthusian postulates.

The book is deficient in organization and difficult to read. The theory is presented in outline. Several chapters of statistical evi-

dence follow, but they are not well coördinated with the theory, and only the closest attention through masses of detail can enable the reader to guess what it is all about—until he arrives at the conclusion and is given another summary of theory. The reader comes through with a sense of disappointment, for despite the array of statistical data (mainly reduced to index numbers) the whole thing has an air of unreality. A different handling might have avoided this, for the main outlines of the theory are probably correct. It is only when the author regards war as an effective remedy that fundamental doubt arises.

A few points of adverse criticism as to method may be noted. There is a considerable amount of scholastic ballast. The entire chapter (ch. 2) on the nature and meaning of equilibrium should have been omitted. It contributes nothing of value. So also with the mathematical formula concerning the relation between the marriage rate and economic conditions (p. 48). The statistics of marriage rates are inadequate. There is no critical discussion of the reliability of the statistical data on which the index numbers of production are based. Increases and decreases are sometimes so slight that they might be due to a variety of statistical errors, yet the author accepts them at their face value. There is a probable overestimate of the increase of consumption, because no allowance is made for the developing fullness and greater accuracy of production statistics during the past few decades.

Despite these shortcomings, the book may be regarded as one of the best attempts yet made at an inductive, scientific analysis of the economic causes of war. At least it must receive careful attention on the part of the student of population. It also represents a noteworthy attempt to bring statistics and theory into functional correlation.

There is a useful bibliography.

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#### NEW BOOKS

- MEERWORTH, R. *Einleitung in die Wirtschaftsstatistik.* (Jena: Fischer. 1920. Pp. iv, 329.)
- SECRIST, H. *Readings and problems in statistical methods.* (New York: Macmillan. 1920.)
- TRABUE, M. R. and STOCKBRIDGE, F. P. *Measure your mind.* (Garden City, N. Y.: Doubleday, Page. 1920. Pp. 349.)